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ESD ALLIANCE REPORTS EDA INDUSTRY REVENUE INCREASE FOR Q1 2018

Redwood City, Calif., July 24, 2018—The Electronic System Design (ESD) Alliance Market Statistics Service (MSS) today announced that the Electronic Design Automation (EDA) industry revenue increased 7.8 percent for Q1 2018 to \$2308.8 million, compared to \$2142.5 million in Q1 2017. The four-quarters moving average, which compares the most recent four quarters to the prior four quarters, increased by 9.1 percent.

“The EDA industry continues to report growth in Q1, with increases across all product categories and regions,” said Walden C. Rhines, board sponsor for the ESD Alliance MSS and President and CEO of Mentor, a Siemens Business. “The IC Physical Design & Verification and Printed Circuit Board and Multi-Chip Module categories each reported double digit increases.”

Companies that were tracked employed 41,110 professionals in Q1 2018, an increase of 10.4 percent compared to the 37,229 employed in Q1 2017, and up 2.9 percent compared to Q4 2017.

The complete quarterly MSS report, containing detailed revenue information broken out by both categories and geographic regions, is available to members of the ESD Alliance.

Revenue by Product Category

Computer Aided Engineering (CAE), generated revenue of \$699.7 million in Q1 2018, which represents a 2.4 percent increase compared to Q1 2017. The four-quarters moving average for CAE increased 5.8 percent.

IC Physical Design & Verification revenue was \$472.6 million in Q1 2018, a 19.3 percent increase compared to Q1 2017. The four-quarters moving average increased 9.1 percent.

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Printed Circuit Board and Multi-Chip Module (PCB & MCM) revenue of \$193.4 million for Q1 2018 represents an increase of 13.8 percent compared to Q1 2017. The four-quarters moving average for PCB & MCM increased 10.7 percent.

Semiconductor Intellectual Property (SIP) revenue totaled \$830.7 million in Q1 2018, a 5.1 percent increase compared to Q1 2017. The four-quarters moving average increased 11.9 percent.

Services revenue was \$112.5 million in Q1 2018, an increase of 9.7 percent compared to Q1 2017. The four-quarters moving average increased 7.7 percent.

Revenue by Region

The Americas, EDA's largest region, purchased \$1024.4 million of EDA products and services in Q1 2018, an increase of 8.4 percent compared to Q1 2017. The four-quarters moving average for the Americas increased 10.6 percent.

Revenue in Europe, the Middle East, and Africa (EMEA) increased 12.4 percent in Q1 2018 compared to Q1 2017 on revenues of \$336.4 million. The EMEA four-quarters moving average increased 6.7 percent.

First quarter 2018 revenue from Japan increased 5.8 percent to \$248.1 million compared to Q1 2017. The four-quarters moving average for Japan increased 4.8 percent.

The Asia/Pacific (APAC) region revenue increased to \$699.9 million in Q1 2018, an increase of 5.4 percent compared to the first quarter of 2017. The four-quarters moving average increased 9.6 percent.

The complete MSS report, available to the ESD Alliance members, contains additional detail for countries in the Asia/Pacific region.

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About the MSS Report

The ESD Alliance Market Statistics Service reports EDA industry revenue data quarterly and is available to Alliance members. Both public and private companies contribute data to the report. Each quarterly report is published approximately three months after quarter close. MSS report data is segmented as follows: revenue type (product licenses and maintenance, services, and SIP), application (CAE, PCB/MCM Layout, and IC Physical Design & Verification), and region (the Americas, Europe Middle East and Africa, Japan, and Asia Pacific), with many subcategories of detail provided. The report also tracks total employment of the reporting companies.

About the Electronic System Design Alliance

The [Electronic System Design \(ESD\) Alliance](http://esd-alliance.org), an international association of companies providing goods and services throughout the semiconductor design ecosystem, is a forum to address technical, marketing, economic and legislative issues affecting the entire industry. It acts as the central voice to communicate and promote the value of the semiconductor design industry as a vital component of the global electronics industry. For more information about the ESD Alliance, visit <http://esd-alliance.org>.

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